

This record is a partial extract of the original cable. The full text of the original cable is not available.

C O N F I D E N T I A L SECTION 01 OF 02 LAGOS 000102

SIPDIS

STATE PASS DOE FOR DAS JBRODMAN AND CGAY
TREASURY FOR ASEVERENS AND SRENENDER
COMMERCE FOR KBURRESS
STATE PASS TRANSPORTATION FOR MARAD
STATE PASS USAID FOR GWEYNAND AND SLAWAETZ
STATE FOR DS/IP/AF, AF/EX, DS/IP/OPO, DS/ICI/PII, DS/DSS/ITA

E.O. 12958: DECL: 01/26/2016

TAGS: [EPET](#) [PGOV](#) [ASEC](#) [PTER](#) [KHLS](#) [PINR](#) [ETRD](#) [CASC](#) [NI](#)

SUBJECT: COMMUNICATIONS PATCHED BETWEEN SHELL AND OIL
CONTRACTORS IN HOSTAGE CRISIS

REF: A. LAGOS 101 AND PREVIOUS

[1](#)B. LAGOS 90

[1](#)C. ABUJA 120

Classified By: Acting Section Chief Shannon Ross for Reasons 1.4 (D & E
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SUMMARY

[1](#)1. (C) USG and HMG interests, views, and actions have remained tightly aligned during the Shell contractor hostage crisis. However, we have noted a growing gap between Shell and the contractor companies Tidex and Ecodrill. Shell is concerned the contractors are engaging in a line of communication via Ecodrill's intermediaries outside of GON negotiation channels which could backfire on Shell. Tidex is unhappy with pressure to return to service in Shell's EA field. Mission and UK representatives took action today to close this gap, meeting with Shell Africa Executive Vice President Ann Pickard. Pickard readily agreed to our plan to continue full information sharing among the governments and companies; to pursue communication with the kidnappers via Ecodrill's intermediaries; and for the HMG and USG to take responsibility for sharing this line of communication with the GON only at the highest levels. Pickard pledged Shell's full support and assets for the safe return of the hostages.

SHELL LAYS OUT COMPLAINTS WITH CONTRACTOR STRATEGY

[1](#)2. (C) In today's crisis response group meeting, the Shell representative laid out several points in a forceful manner, raising concerns for both USG and HMG representatives. The meeting necessitated clarification of our policy position at a higher level within Shell.

--The Shell representative told us his brief was specifically to protect Shell's political and reputational interests. Shell cannot be seen as working outside of official government negotiation channels, now delegated to Bayelsa State, but will not prevent their contractors from doing so. Shell is very sensitive about their corporate reputation given past difficulties in the Delta. (reftel B) He told us any information disseminated within Shell regarding the alternate line of communication with the kidnappers would inevitably be leaked to the GON.

--The Shell representative told us Shell has a strong policy against the payment of ransom. He demanded to know the HMG's views on the payment of ransom. He stated if any large payments are made, the GON and state security services will find out about it, and "it will not be helpful for us."

--The Shell representative criticized continuing with the line of communication through Ecodrill representative Quiatkowski's intermediaries, and told us he foresaw the contact only ending in demands for payment. (Note: Neither Tidex nor Ecodrill have suggested or supported the payment of a ransom. End note.) He sought assurances that if the contractors paid a ransom, HMG would not hold Shell accountable if their assets were then used to carry out the evacuation plan.

TIDEX COMPLAINTS WITH SHELL

[1](#)3. (C) Tidex Vice President McNee meanwhile has his own complaints about Shell. McNee states Shell operational personnel are pressuring Tidex to return the Liberty Service into service in the EA field. (Note: This pressure does not seem to be authorized by Shell upper management, but is at the working level. End note.) During the course of the initial attack on the Liberty Service, the attackers reportedly warned Tidex not to return the vessel to that

area. Tidex VP McNee believes its return could endanger the hostages, as well as present a significant risk to personnel in the EA field. He resents pressure from Shell to return to operations while the hostages remain in captivity. Shell confirmed another contractor's vessel has gone to the EA Field to take the place of the Liberty Service. Tidex and Ecodrill are sufficiently concerned that their interests have diverged from Shell's that Tidex requested Control Risks Group (CRG) dispatch their own security consultant, rather than making use of the CRG consultant provided by Shell.

14. (C) Shell states that its first priority remains the safe return of the hostages. However, returning the EA field to full operation is clearly on their radar screen. For Tidex and Ecodrill, the safe return of their employees remains their overwhelming priority, although they are also concerned with maintaining their on-going commercial relationship with Shell.

Cracks in the Crisis Group Patched for Now;
Obtaining Buy-In from Shell Management

15. (C) In the interest of resolving this growing gap, British Deputy High Commissioner Waterworth, Acting Consul General Howe, Energy Off, and Tidex VP McNee met this afternoon with Shell Africa Executive Vice President Ann Pickard to clarify our policies and lines of communication with Shell. Waterworth explained the views of the two governments and two contracting companies:

--We greatly appreciate Shell's support during the hostage crisis, provision of manpower and meeting space, and Shell's offer to evacuate the hostages from the Delta after their release.

--We are committed to full transparency and information sharing with Shell; information shared with the contractor companies will be shared with Shell.

--The HMG, USG, and the contract companies have made a collective decision to pursue the lines of communication opened up by Ecodrill's Peter Quiatkowski. This communication has provided the most recent and repeated proof of life, and has enabled us to send medicine to the hostages.

--The USG and HMG share Shell's position regarding not paying ransom. No financially-oriented ransom demands have been made through Ecodrill's intermediaries; at this point, we do not anticipate any.

--The USG and HMG will manage information sharing at a high level within the GON regarding the existence of an alternate line of communication with the kidnappers. Disclosure of this alternate communication line is confidential to Shell, and should be closely controlled within Shell.

16. (C) Pickard readily agreed to the talking points, and re-iterated her commitment to full information sharing with the USG and HMG, as well as the contractor companies. She also re-iterated Shell's total support for duty of care and all logistical arrangements for the evacuation of the hostages after their release. Pickard will relay our agreement to her representatives on the crisis response group.

COMMENT

17. (C) Despite friction between the companies, cooperation and communication between the governments and companies involved remains very good. We are fully satisfied with the results of today's meeting with Shell EVP Pickard. We will continue to monitor the relationships between the companies and our information sharing to ensure that everything possible is done to secure the hostages' release. End comment.
HOWE